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October 10, 2005

Ref: 2976-23284

Honorable James H. Welsh
Commissioner of Conservation
Post Office Box 94275
Baton Rouge, LA 70804-4275

Re: Hearing Application
1st Hollywood Sand, Reservoir B
ORANGE GROOVE FIELD
Terrebonne Parish, Louisiana
Applicant: Castex Energy, Inc.

Dear Mr. Commissioner:

In accordance with the Rules of Procedure for Conducting Hearings Before the Commissioner of Conservation of the State of Louisiana, application is hereby made on behalf of **Castex Energy, Inc.** for the calling of a public hearing, after legal notice, to consider evidence relative to the issuance of an order pertaining to the following matters relating to the 1st Hollywood Sand, Reservoir B, Orange Grove Field, Terrebonne Parish, Louisiana.

1. To dissolve the existing drilling and production unit created as the 1st Hollywood Sand, Reservoir B, by Office of Conservation Order No. 824-B-4, effective November 19, 1991 and to simultaneously create a revised single drilling and production unit of approximately 130 acres for the 1st Hollywood Sand, Reservoir B, Orange Grove Field, Terrebonne Parish, Louisiana, all as shown more particularly on the attached plat;
2. To establish rules and regulations governing the exploration for and production of gas and condensate from the said sand unit;
3. To force pool and integrate all separately owned tracts, mineral leases and other property interests within the unit so created, with each tract sharing in unit production on a surface acreage basis of participation;
4. To designate a unit operator and a unit well for the unit created herein;
5. To find that, except to the extent contrary to the order granted by the Commissioner in connection with the hearing

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held on this application, the provisions of Office of Conservation Order No. 824-B-4 shall remain in full force and effect, and

6. To consider such other matters relating to the subject reservoir as may be appropriate and justified by the evidence presented at the public hearing.

The 1st Hollywood Sand, Reservoir B, in the Orange Grove Field, Terrebonne Parish, Louisiana was previously defined in Office of Conservation Order No. 824-B-4, effective November 19, 1991.

In compliance with the Rules of Procedure for Conducting Hearings Before the Commissioner of Conservation of the State of Louisiana, a pre-application conference was held in Lafayette, Louisiana on October 10, 2005. Attached hereto and made a part hereof is a list of the names and addresses of the parties who were in attendance at that conference.

The conference was opened by Mr. B. J. Duplantis. Mr. Bill Dale of W. H. Robbins & Associates presented the plan of applicant. Questions were asked and answered. Mr. Don Muth on behalf of Dane Ledet presented a plan which added 1-2 acres to the existing unit. It is anticipated that there may be opposition at the public hearing on this matter.

Attached hereto and made a part hereof is a plat outlining the HLYWD 1 RB SUA, Terrebonne Parish, Louisiana, and a list of the names and addresses of the interested owners, represented parties and interested parties to whom this notice is being sent. It is hereby certified that a reasonable effort was made to ascertain the names and addresses of all interested owners, represented parties and interested parties.

A copy of the list of the names and addresses of the interested owners, represented parties and interested parties is not being mailed to those parties along with this application. Should any such party desire a copy of this list, however, we will be glad to provide one upon request.

Any pertinent data relating to the proposed unit can be obtained, AT THE COST OF THE REQUESTING PARTY, from Mr. Bill Dale of W. H. Robbins & Associates, 302 La Rue France, Suite 100, Lafayette, Louisiana 70508 (337) 232-5004.

Finally, there is enclosed herewith our check on behalf of the applicant in the amount of \$755.00, made payable to the Office of Conservation, representing the required hearing application fee.

Very truly yours,


B. J. Duplantis

BJD/ht

Attachments

cc: Mr. Richard D. Hudson
District Manager, Office of Conservation

All Interested Owners, Represented Parties and Interested Parties

